

ARIZONA DEPARTMENT OF EDUCATION

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STATE OF ARIZONA

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**SCHOOL FINANCE MEMORANDUM 05-023**

**TO:** School District Superintendents and Business Managers  
**FROM:** Philip G. Williams, Deputy Associate Superintendent  
**DATE:** February 16, 2005  
**SUBJECT:** Final Sudden Growth Corrections for FY 2003 and FY 2004

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Pursuant to ARS 15-915, the Arizona Department of Education is correcting budget capacity and state aid relevant to FY02-03 and FY03-04 Growth. Final corrections to FY 2002-03 and FY 2003-04 Growth (A.R.S. §15-948) have been calculated and, if applicable, have impacted your district's FY05 budget capacity (in FY03 and FY04 budget balance carry-forward calculations – please refer to your FY03 and FY04 Budg75 Reports). These final calculation adjustments will be included in your district's FY05 state aid and reflected on the March 15, 2005, payment report – APOR 64-1. Please review the summary below relevant to each year's growth correction.

- I. FY 2002 – 2003 Growth Correction:
  - a. Growth is based on **FY03** 100<sup>th</sup> day counts (ADM, ELL and SPED) as of November, 2004. Please reference your district's ADMS 46-1, ELL and SPED reports found at <http://www.ade.az.gov/Districts/ReportsData> for FY 2003.
  - b. The FY **2002-2003** BUDG75's have been revised to reflect the FY03 Growth correction and will impact the **Preliminary FY2003-2004** report in the Budget Balance Carry-forward value found on page 1. These two BUDG75 reports can be viewed at <http://www.ade.az.gov/Budget> for your district.
- II. FY 2003-2004 Growth Correction:
  - a. Growth is based on **FY04** 100<sup>th</sup> day counts (ADM, ELL and SPED) as of November, 2004. Please reference your district's ADMS 46-1, ELL and SPED reports found at <http://www.ade.az.gov/Districts/ReportsData> for FY 2004.
  - b. The **Preliminary FY2003-2004** BUDG75 includes the FY2004 growth correction on page 2 immediately under the "Total General Budget Limit for M&O" in the ADE Calculated column.

Please note that the corrected growth calculations (the APOR 55-2 Growth Report) for both FY03 and FY04, and the combined growth correction document, **FY03 and FY04 Final Combined Sudden Growth Corrections** can be viewed together as one document at <http://www.ade.az.gov/districts>, under Fiscal Year 2003, 2004, and 2005 - System APOR.

In addition to FY05 budget corrections, the equalization payment for March 15, 2005 will reflect the total dollar amount of these corrections. Please refer to your district's March 15, 2005, APOR 64-1 at the top of page 1, next to "Adjustments to Equalization Assistance Subtotal." In the event that the growth correction requires a negative adjustment that will significantly impact the district's operations, corrections to budget capacity and state aid may be made partly in FY05 and partly in FY06 pursuant to ARS (15-915). Please complete the bottom section of your **FY03 and FY04 Final Combined Sudden Growth Corrections** document and submit to ADE School Finance by March 1, 2005.

Please send to:

Arizona Department of Education  
School Finance – Bin 13  
Attention: Ms. Bonnie Betz  
1535 W. Jefferson St  
Phoenix, AZ 85007

In addition, please send a preliminary e-mail to Ms. Bonnie Betz at [bbetz@ade.az.gov](mailto:bbetz@ade.az.gov) as notice of your district's intent to split the repayment of state aid over a two year period so that the appropriate dollar amount is included in the March 15, 2005 APOR 64-1 payment report.

On the other hand, those districts which have an increase in their FY04-05 budget balance carry-forward due to the FY02-03 and FY03-04 growth corrections, must submit a budget revision to ADE by May 15, 2005 which includes this revised budget balance carry-forward on page 7 of 8, line 9c. If this budget revision is not received, their final FY04-05 budget will be reflective of the most recent submitted budget revision and the payment adjustment received will be taken back.

Any subsequent requests to further correct FY 2002-03 or FY 2003-04 Student Detail (SPED, ADM, ELL), will be handled through the formal 915 process, along with other 915 requests, in the order received.

For questions related to the BUDG25, BUDG75, or the APOR reports, please e-mail [schoolfinance@ade.az.gov](mailto:schoolfinance@ade.az.gov). Please include the name of your district and list questions as specifically as possible so that the e-mail can be forwarded to the appropriate section of School Finance.